

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2854-01
Bill No.: SJR 30
Subject: Taxation and Revenue - Property; Veterans; Counties; Constitutional Amendments.
Type: Original
Date: December 29, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(\$34,850)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$34,850)	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Blind Pension	\$0	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	\$0	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Cole County Assessor's Office** assume this proposal would have no impact on their office or on political subdivisions in Cole County since property owned by veterans' organizations is not currently being assessed or taxed.

Officials from the office of the **Secretary of State (SOS)** stated that statewide newspaper publication of constitutional amendments cost approximately \$1,161 per column inch per publication date based on an estimate provided by the Missouri Press Service. The SOS estimated this proposal would require 10 column inches including title header and certification paragraph, for three required publications. $((\$1,161 \times 3 = \$3,485) \times 10 = \$34,850)$. Costs based on 2003 figures and subject to change.

Officials from the **Office of Administration, Division of Budget and Planning**, and **Division of Design and Construction**, the **Department of Revenue**, and the **Office of the Attorney General**, assume this proposal would have no impact on their organization.

ASSUMPTION (continued)

Officials from the **State Tax Commission** assume this proposal would reduce tax revenues for political subdivisions, but they are unable to estimate the impact of this proposal because they do not have any information regarding the number of veterans' organizations or the amounts of taxable property they own.

Oversight assumes the proposal would be submitted to the voters in November 2004. Oversight also assumes there would be an unknown reduction in political subdivision revenues as a result of this proposal, and an impact to the state Blind Pension Fund of approximately one-half of one percent of the impact to political subdivisions. Any impact to tax revenues would begin in FY 2006 since 2004 taxes collected in FY 2005 would already be determined before the November 2004 election.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
GENERAL REVENUE FUND			
<u>Cost - Secretary of State</u>			
Publication cost	<u>(\$34,850)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$34,850)</u>	<u>\$0</u>	<u>\$0</u>
BLIND PENSION FUND			
<u>Revenue reduction</u>			
Property taxes	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON BLIND PENSION FUND	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Local Government

FY 2005
(10 Mo.)

FY 2006

FY 2007

POLITICAL SUBDIVISIONS

Revenue reduction

Property taxes

\$0

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT ON
POLITICAL SUBDIVISIONS**

\$0

(Unknown)

(Unknown)

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

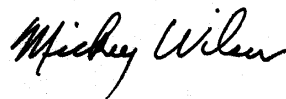
DESCRIPTION

This proposal would propose an amendment to the state constitution to exempt property owned by veterans' organizations from property taxation. The amendment would be submitted to the voters in the November 2004 general election, or at a special election to be called by the governor.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of the Secretary of State
Office of Administration
Division of Budget and Planning
State Tax Commission
Department of Revenue
Office of the Cole County Assessor



Mickey Wilson, CPA

L.R. No. 2854-01
Bill No. SJR 30
Page 5 of 5
December 29, 2003

Director
December 29, 2003

SS:LR:OD (12/02)